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SUBCOMMITTEE ON ECONOMIC DEFENSE
of the
ECONOMIC INTELLIGENCE COMMITTEE

15 June 1959

MEMORANDUM FOR: The Executive Secretary, EIC

SUBJECT : Annual Report of the Economic Defense Subcommittee
(EDSC) for Fiscal Year 1959

REFERENCE : EIC-D-371, 13 May 1959

This Subcommittee, which succeeded the USIB Economic Defense Intelligence Committee (EDIC), was officially established as of 14 October 1958. This report therefore covers only about eight months of the present fiscal year.

A. Activities of the Subcommittee During the Fiscal Year

1. In view of the current nature of the intelligence required for Economic Defense, intelligence in this field is constantly reviewed and evaluated by continuous but ad hoc contacts within the intelligence community. Therefore, the Subcommittee was not required to review or evaluate the state of intelligence under its purview.
2. The Subcommittee plans to examine priority deficiencies of research in its field during the next fiscal year. There is currently no statement of research deficiencies in this field.
3. For the reasons mentioned in paragraph 1 above, substantive papers relating to this field were not reviewed by the Subcommittee.
4. No agency presented proposals for external research directly related to the field under the Subcommittee's purview.
5. The broad scope of EDSC's field, which encompasses the individual fields covered by the other EIC Subcommittees, makes the development and maintenance of a file of basic data by EDSC duplicative. The statistics developed by other EIC Subcommittees are utilized by the Economic Defense community through mechanisms other than the EIC. The membership of the other EIC Subcommittees is representative of the Economic Defense community and specific needs in this field can be channeled through such representation. For these reasons agreed basic statistics have not been developed by EDSC.

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SUBCOMMITTEE ON ECONOMIC DEFENSE
of the
ECONOMIC INTELLIGENCE COMMITTEE

EIC-EDSC/D-9
Control No. 490811
15 June 1959

MEMORANDUM FOR: EIC Subcommittee on Economic Defense (EDSC)

REFERENCE : EIC-EDSC/M-2, 9 June 1959

1. Attached is the Annual Report of the Economic Defense Subcommittee for Fiscal Year 1959, which has been submitted to the EIC.

2. The Department of Defense has suggested the inclusion of the first paragraph of the attached Report. Since this is a statement of fact it has been included without referral to the membership.

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Executive Secretary

Attachment:

a/s

Distribution:

Cat B - (1, 5, 8-11)

D - (all)

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Deputy Director (Coordination)

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6. The EIC made no request for the Subcommittee to undertake projects. The Subcommittee made no proposal for projects to the EIC.

7. For reasons discussed in the paragraphs above the Subcommittee had no discussions on intelligence research techniques.


8. The Subcommittee received no request for special coordination in this field. Adequate facilities are available in the Economic Defense community for normal coordination functions.

9. The EDSC currently has no active program for improving economic intelligence research and collection within its field of interest nor has it realized its full potential as a medium for interagency review and coordination. To some extent this has been due to the participation of member departments and agencies on other EIC Subcommittees concerned with more limited fields which reduces the need for such activity. The Subcommittee feels that it should identify research and collection deficiencies in its field and examine its potential for developing a program to reduce such deficiencies as exist. It believes that it has a potential as an interagency medium for review and coordination of the intelligence product dealing with Economic Defense and the membership will endeavor to have its individual departments or agencies utilize the Subcommittee for these purposes to the fullest useful extent.

B. Future Programs of the Subcommittee

The Subcommittee plans to review research and collection deficiencies in its field during the coming fiscal year and if requested by the EIC will participate in emergency planning for economic warfare. Further program planning is contingent on the results of a current examination by the Subcommittee of areas in which the EDSC possibly can efficiently supplement the program of the Economic Defense community.

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Executive Secretary

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Return to Mrs. H. J. [unclear]
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EIC-EDSC/M-2
Control No. 490713
9 June 1959

ECONOMIC INTELLIGENCE COMMITTEE

Subcommittee on Economic Defense

Minutes of 2nd Meeting

10:00 a.m., 3 June 1959

Present 25X1

[redacted] CIA, Chairman

Mr. McCaffrey, OSD

Mr. Wood, Army

Miss Baldwin, ICA

Mr. Handler, State/DFI

Mrs. Young, State/ECD

Mr. Pomeroy, State/MC

Mr. Reiss, Commerce

[redacted] CIA, Executive Secretary

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1. This meeting of the EIC Subcommittee on Economic Defense was called to discuss the Annual Report for Fiscal Year 1959. The Chairman referred to the Draft Annual Report for Fiscal Year 1959 distributed as EIC-EDSC/D-7 and distributed a re-draft of this Report to the members. He reviewed briefly the current nature of the support required by the Economic Defense community and the resultant effect which this has on the productivity of the Subcommittee. As stated in the Final Report of EDIC and the EDIC Annual Report for Fiscal 1957, for reasons of operational necessity, and in accordance with primary production responsibilities for various fields of economic intelligence allocated by DCID 3/1, the responsible individual intelligence agencies have made their respective contributions directly to the EDAC community.

2. The Members of the EDSC, while agreeing that the Subcommittee had been inactive for the last two years at least, felt that it was a good forum for discussion of intelligence matters concerning Economic Defense and recommended that meetings be held more frequently and not less than quarterly. They further felt that the potential of the Subcommittee in initiating intelligence studies, reviewing and coordinating the intelligence product relating to Economic Defense and planning for intelligence support to Economic Warfare should be carefully examined by the Committee.

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3. The Committee requested the Executive Secretary to prepare a preliminary draft dealing with priority deficiencies of research and collection within the Subcommittees field of interest. This draft is to be circulated among the members for additions, deletions, or comments and a meeting will be held by the Subcommittee to finalize a statement of the subject. The Executive Secretary was also appointed a committee of one to prepare a preliminary list of intelligence subjects on which the Subcommittee might initiate studies, as well as intelligence productions which the Committee might consider for review and/or coordination. He was also requested to develop information on the present status of war planning with respect to intelligence support for Economic Warfare and prepare a report for the Committee. Members of the Department of Defense and Commerce stated that they would present submissions from their Departments on suitable subjects for intelligence studies and would suggest intelligence productions or activities within the Economic Defense Community which the Subcommittee might properly review and/or coordinate.

4. There is attached, for members consideration and approval, the revised Annual Report for Fiscal 1959 as agreed at this meeting. Unless the Executive Secretary is notified to the contrary by COB Friday 12 June 1959 the Report will be considered adopted.

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Attachment:

a/s


Distribution:

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Deputy Director (Coordination)

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